

### **REMARKS**

The Office Action mailed September 26, 2008 ("Office Action") rejects claims 26-31, 50-69, 71, and 76 under 35 U.S.C. § 103(a) as allegedly being obvious over U.S. Patent No. 5,457,746 to Dolphin *et al.* ("Dolphin") and rejects claims 70 and 72-75 under 35 U.S.C. § 103(a) as allegedly being obvious over Dolphin in view of U.S. Patent No. 5,291,598 to Grundy ("Grundy"). Applicants respectfully request reconsideration of all outstanding rejections in view of the following.

In order to highlight the distinctions between the system of the claimed invention, and that of the prior art, clarifying amendments have been made to independent claims 26 and 50. Independent claim 26 has also been amended to recite the features of claim 50.

The invention as now claimed in independent claim 26 recites a digital media production system in which the physical media containing the product is manufactured on-demand at a local site, for supply on-site to a customer. On-demand manufacture means that the customer has requested (and paid for) the product, and so there is no wastage associated with an unwanted product. In other words, the products that are manufactured directly correspond to those that have been ordered.

Also, it has been clarified that the digital media production system of the claimed invention ***prevents*** manufacture (*e.g.*, complete generation of the selected digital information product) if the system has not yet received a unique electronic release code. The electronic release code can only be obtained from a remote licensing control center, and only after an order for a selected product has been made. If a unique electronic release code has not been obtained, ***it is not possible to manufacture the product***. This improves the security of the digital information stored on the local mass storage device, as it is not possible to create unauthorized copies of the plurality of different digital information products stored on the storage device.

This aspect is very important to the claimed invention as one of the claimed invention's primary purposes is to provide security in the distribution chain. Preventing the unscrupulous activity of creating unauthorized copies of digital information products on physical media by staff, for

example, overcomes a very real problem in the provision of physical digital media products in the distribution chain.

The claimed invention enables a retail outlet, for example, to provide a plurality of digital media products to customers which are manufactured on-demand when a customer indicates purchase of that information is required. While the customer does have to wait a short period of time for the on-demand manufacturing to occur, the significant benefit to the retail outlet is that this method provides a very high level of security. Using the claimed invention makes it pointless to steal the physical digital media products prior to purchase from the retail outlet, as they do not have the required digital content recorded on them when they are being displayed. This provides a huge advantage over the retailing of pre-recorded media products, which require elaborate and expensive anti-theft security devices but are still susceptible to being stolen.

Another important benefit of on-demand manufacturing, which is provided by the claimed invention, is that the retailer is unlikely to ever run out of stock of a particular digital media title. In conventional manufacturing, the pre-recorded digital media stock carried by the retailer can run out if it becomes popular and potential sales are lost while more stock is ordered. However, with the claimed invention, this never happens so long as the retailer has enough blank physical digital media to record on.

The unique electronic release code also serves a function additional to providing authorization to manufacture; the code also uniquely distinguishes the manufactured product. The code is recorded onto the physical media making the selected digital information product unique, and not merely one of a number of identical copies. This is useful as each product can be tracked for the purposes of anti-counterfeiting and security. For example, if the product is returned to a store, a retailer can verify that the returned product is exactly that which was originally issued, confirm where and when it was manufactured and to whom it was sold, and log the fact that the product has been returned, invalidating any product copies of that particular unique product (typically by preventing registration of invalid products). Therefore, any copies made while in the possession of the customer can be invalidated.

It is respectfully submitted that the prior art cited by the Examiner does not disclose the features of the invention as claimed, for the reasons set out below.

In particular, Dolphin does not teach or suggest a system in which products are manufactured locally on-site and on-demand (with the customer waiting at the local site) as presently claimed. Instead, Dolphin describes a system in which media is distributed to customers via standard distribution channels, such as the postal service. *See* Dolphin, col. 4, ll. 25-28. Therefore, there will be a significant delay between a customer ordering a product and product delivery. Clearly this is not manufactured locally on-site and on-demand.

In the case where media is sent to customers speculatively, before the customer first buys or orders the media, the system of Dolphin suffers from the drawback that the manufacture and transport of the media will be wasted if the customer decides not to purchase content contained on the media. This is also clearly not manufacturing the physical media on demand as required by the present claim, where this problem would not occur.

In any case, the system of Dolphin requires the physical media containing the digital information product to be first ***manufactured*** (e.g., transferred onto a physical media) before any authorization takes place. This is so that a customer can view the content listing of the media before deciding whether or not to buy the content. If the customer decides to buy the content, only then is an authorization code requested to access the encrypted content of the media.

Therefore, it can be seen that the authorization code of Dolphin is not used to control manufacture of the physical media at all, but rather is used to access data on an ***already manufactured*** article of media. Thus the system of Dolphin does not ***prevent*** the manufacture of the physical media before receipt of a unique electronic release code as in the invention as claimed. In fact, we respectfully submit that Dolphin has nothing at all to do with manufacturing on-demand at a local site.

Additionally and importantly, Dolphin does not teach or suggest recording of a unique electronic release code onto the physical media to generate a unique product – and does not benefit from the security advantages associated with the manufacture of a unique product, as discussed above.

As previously stated, the physical media of Dolphin has already been produced and distributed and so cannot be a unique product. In terms of security, Dolphin relies on encryption to protect data released to customers before purchase. This is undesirable as such encryption can always be broken, leading to a risk of product counterfeiting. This method of distributing content is widely recognized in the industry as a poor method as it wholly relies on the strength of the encryption to prevent illegal copying and no encryption technique can ever be 100% secure.

**Specific Rebuttals:**

We now refer to the specific points raised by the Examiner.

**Paragraph 7; Claim 26**

The Examiner has mentioned that the feature (a) of former claim 26 (*a local mass data storage device at the local site*) is met by the publisher's computer. If this is assumed to be the case, without conceding that it is, then it follows that the local site is met by the publisher, and that other features of the claim that are "local" also will be situated at the location of the publisher. However, this is not the case. In particular, former feature (c) – the local release unit, as identified by the Examiner as being situated on the computer of the customer, and not the publisher. *See* Dolphin, col. 4, ll. 55-67. Therefore, it is submitted that under the Examiner's construction of the word 'local', Dolphin does not teach or suggest former feature (c) – the local release unit.

Additionally, Dolphin does not teach or suggest former feature (d) – a local control unit which responds to a code received by the remote licensing control centre to authorize physical production of the product. The Examiner has equated the publisher's computer as being the local control unit. However, Dolphin does not teach or suggest that the publisher's computer needs to first receive an authorization code from a licensing control center before manufacturing of the physical product. Rather, in the system of Dolphin, the publisher already has access to the content. There is no requirement to receive a code to manufacture the product on the publisher's machine.

In Dolphin, it is the publisher that creates the code to cryptographically unlock the content. Therefore, the publisher, in fact *sends to* the billing/access center the information relating to the code. *See* Dolphin, col. 6, ll. 19-20.

It is the user/customer's machine that, in fact, receives the code from the billing center. The customer's machine cannot be considered to be local to the publisher's computer and so cannot be a local control unit. Moreover, the code is merely used in Dolphin to decrypt the contents of an already manufactured and distributed item of media. *See* Dolphin, col. 6, ll. 43-53.

In particular, Dolphin fails to teach or suggest prevention of the complete generation of any digital information product before receipt of the unique electronic release code issued by the remote licensing control center as now claimed in independent claim 26.

Additionally, Dolphin does not teach or suggest former feature (e) of Claim 26 - *a local media generator which generates the product by storing onto the physical media the selected digital information and recording on the physical media the issued unique release code*. As mentioned, the code, in Dolphin, is used to unlock the encrypted contents of the already distributed media. Therefore, if the code was recorded on the manufactured media (as presently claimed), then there would be no point in encrypting the contents. All a user would have to do to access the contents would be to read the code stored on the media, and use it directly to decrypt the contents. As mentioned in Dolphin, in order for the user to access the encrypted data, the user must obtain an access code from the billing center. *See* Dolphin, col. 4, ll. 46-53. Therefore, the code cannot be stored on the media itself in Dolphin.

#### Paragraph 8; Claim 26

As mentioned above in relation to paragraph 7, the media in Dolphin is produced *before* issuance of an authorization code. In the claimed invention, the media *and packaging* is produced *after* receipt of a release code. Therefore, Dolphin fails to teach or suggest a package generator, nor would it be obvious to one of ordinary skilled in the art to provide such a package generator.

#### Paragraphs 9-13; Claims 27 and 28

As mentioned above, Dolphin describes a system in which the media is manufactured *before* issue of an authorization code. This is completely opposite to the claimed invention in which the media is manufactured (together with its packaging) *after* receipt of a release code.

Therefore, in Dolphin, as the media is manufactured and distributed before the issue of a code, it is impossible to print such a code (which may contain a licence number, customer name) or generate an authentication certificate containing the code onto an item of media or packaging as claimed in the present invention. In other words, by the time the code is issued, the media or packaging has already been distributed.

Paragraphs 14-15; Claim 29

Following the above-mentioned comments, it would be impossible to include a user-defined personalization onto the media in Dolphin, as the media would have been manufactured and distributed before the personalization could have taken place.

Paragraphs 16-17; Claim 30

As mentioned in relation to paragraph 7, Dolphin fails to teach and suggest a media generator which records the issued unique release code on the physical media, and therefore cannot disclose a media writer as part of that generator.

Paragraphs 18-19; Claim 31

Following the above-mentioned comments, it would be impossible to print a code (*e.g.*, containing the customer name and/or license number) onto the packaging in Dolphin, as the packaging would have been manufactured and distributed before the printing could have taken place.

Paragraphs 20-21; Claim 76

Following the above-mentioned comments, it would be impossible to include a user-defined personalization onto the media in Dolphin, as the media would have been manufactured and distributed before the personalization could have taken place.

Paragraphs 22-24; Claim 50

It is submitted that Dolphin does not teach or suggest a method of manufacture of the claimed invention. In particular, Dolphin does not describe on-demand manufacture, nor the steps associated with the system features referred to above with reference to paragraph 7 and 8 (in particular, the preventing of manufacture before receipt of a release code). The Examiner is referred to our comments above in respect of paragraph 7 and 8.

Paragraphs 25-26; Claim 51

As mentioned previously, the step of manufacturing of media in Dolphin occurs before issuance of a code, and so it would be impossible for the code – which is used to authorize manufacture of the media – to be associated with a customer. At the stage of media production the customer is not known in Dolphin.

Paragraphs 27-48; Claims 52-62

Again, in Dolphin, it would be impossible to:

- print a code (which may contain a licence number, customer name) onto the media or packaging; and/or
- generate an authentication certificate containing the code (and/or customer information) onto an item of media or packaging; and/or
- store the code, or information representative of the customer on the media electronically; and/or
- personalize the media or packaging, either by printing or electronically storage;

because the media and packaging of Dolphin would have already been manufactured and distributed before either the code is issued, or the customer information is known.

Paragraphs 49-50; Claim 63

Dolphin does not teach or suggest sending the electronic release code to the point of sale location because the point of sale (or “local” location) in Dolphin is not the location at which the media is manufactured, as in the claimed invention. Please refer to the comments above regarding paragraph 7 about this issue.

Paragraphs 51-57; Claims 64-66

Dolphin does not teach or suggest the feature of claim 64 because the plurality of release codes are not issued to the point of sale as in the claimed invention. Please see the comments above in relation to claim 63 (paragraphs 49-50). Also the issue of the unavailability of customer information before transmission of a code remains in Dolphin – as stated in respect of claims 52-62 (paragraphs 27-48).

Paragraphs 58-62; Claims 67-69

Dolphin does not teach or suggest the feature of a customer making a request at a point of sale at which an item of media is manufactured for the reasons set out above in respect of claim 63 (paragraphs 49-50).

Paragraphs 63-64; Claim 71

Dolphin does not teach or suggest the feature of a storing a code at the point of sale before media is manufactured for the reasons set out above in respect of claim 63 (paragraphs 49-50).

Paragraphs 65-72; Claims 70 and 72-75

The Examiner's view that the combination of the Dolphin and Grundy references to result in the invention as claimed in claims 70 and 72-75 is considered to be irrelevant in view of the above comments in respect of claim 50 (paragraphs 22-24) on which claims 70 and 72-75 depend.

In addition, Grundy describes a method in which a publisher creates products with two modes, demo and full. End users can get an authorization code/key to access the full version of the software product through registering with a central agency. Manufacturing is via mass production wherein authorization is later obtained (as in Dolphin) rather than obtaining an authorization code prior to manufacture (as in the invention as claimed).

Paragraphs 75-79; Other citations

Comments are offered in respect of the other prior art of record as follows:



Richardson describes a system for registering software after a magnetic disk carrying the software has already been supplied. According to Richardson, a customer has already purchased a magnetic disk bearing software before the invention of Richardson applies. It is only when the customer has returned home with their purchase and inserted the disk into their home PC that the registration routine of Richardson is activated. Consequently, Richardson fails to teach or suggest any of the manufacturing means of the claimed invention, fails to teach or suggest the production of a unique individual copy of a selected product, and fails to teach or suggest the use of a unique release code to initiate manufacture and then packaging.

Slik describes a system where datasets are encrypted and stored. Customers can access data, whether remotely or locally, by obtaining a release code (decryption key) to decrypt specific datasets. Silk fails to teach or suggest a system in which a code is used to authorize manufacture of a unique on-demand product as in the claimed invention.

Katz describes a download system but, like Dolphin, fails to teach or suggest a system in which an authorization code is obtained prior to manufacture.

Ecklund describes a method for maintaining multiple copies of a database across a network. Upon loss of communication, each database can continue to have changes made and upon resumption of communication. Ecklund, like Dolphin, fails to teach or suggest using a release code to authorize manufacture.

Applicants respectfully submit that the claims, as amended, are patentably distinguished over the prior art of record. Accordingly, Applicants respectfully request that the pending claims be allowed to issue.

**CONCLUSION**

In view of the above, Applicants respectfully request that the rejection of the claims specifically argued, as well as all claims dependent thereon, be withdrawn. Applicants respectfully submit that the present application is in condition for allowance, and an early indication of the same is courteously solicited. The Examiner is respectfully requested to contact the undersigned by telephone at the below listed telephone number, in order to expedite resolution of any issues and to expedite passage of the present application to issue, if any comments, questions, or suggestions arise in connection with the present application.

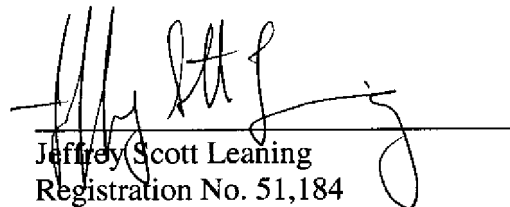
Applicants submit the present response together with a petition for a three-month extension of time, and the associated fees. In the event that the U.S. Patent and Trademark Office requires an additional fee to enter this Reply or to maintain the present application pending, please charge such fee to the undersigned's Deposit Account No. 50-0206.

Respectfully submitted,

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